

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF THE TREASURY

REQUEST FOR PROPOSALS # DM 04-009

for

ESCROW RESTRUCTURING AGENT

JODY M. WAGNER
STATE TREASURER

Tina M. Mizelle, VCO
Procurement Officer

April 23, 2004

REQUEST FOR PROPOSALS

Cover Sheet

RFP #: **DM 04-009**
Issue Date: **April 23, 2004**
Title: **Escrow Restructuring Agent**

Issuing Agency: Virginia Department of the Treasury
Attn: Tina M. Mizelle, VCO, Procurement Officer
Commonwealth of Virginia
Department of the Treasury
P.O. Box 1879
Richmond, Virginia 23218-1879

Using Agency Department of the Treasury on behalf of
Various Boards and Authorities

Initial period of contract: from June 1, 2004 through May 31, 2006 with the option to renew for three additional one-year terms at the option of the Department of the Treasury and in accordance with the terms noted herein.

Sealed proposals will be received until **3:00 p.m. on Friday, May 7, 2004** for furnishing the **Escrow Restructuring Agent** services described herein. Offerors names shall be read aloud.

All inquiries for information should be directed to: Tina M. Mizelle VCO, Procurement Officer, by telephone at (804) 786-4741, by FAX at (804) 225-3187 or by e-mail at tina.Mizelle@trs.state.va.us. FAX or e-mail inquiries are preferred.

If proposals are mailed, mail directly to issuing agency shown above, adding one line to the top of the address as follows: **Proposal for Escrow Restructuring Agent for the Department of the Treasury, RFP #DM 04-009.**

If proposals are hand delivered, deliver to: **Proposal for Escrow Restructuring Agent, RFP #DM 04-009**, Commonwealth of Virginia, Department of the Treasury, James Monroe Building - 3rd Floor, 101 North 14th Street, Richmond, Virginia 23219, Attn: Tina M. Mizelle, Procurement Officer.

In compliance with this Request For Proposals and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the **Escrow Restructuring Agent** services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiations.

Offeror's Name:	By (Signature in Ink):
Complete Address:	Name (please print) and Title:
	Date:
City/State/Zip:	Federal Identification Number:
Telephone Number:	Facsimile Number:

TABLE OF CONTENTS

SECTION I: PURPOSE	1
SECTION II: BACKGROUND	1
SECTION III: SCOPE OF SERVICES	1
SECTION IV: PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS.....	2
GENERAL REQUIREMENTS	2
SPECIFIC PROPOSAL REQUIREMENTS	3
SECTION V: PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS	5
EVALUATION CRITERIA	5
AWARD OF CONTRACT	5
SECTION VI: GENERAL TERMS AND CONDITIONS	5
SECTION VII: SPECIAL TERMS AND CONDITIONS	10
SECTION VIII: METHOD OF PAYMENT	12
SECTION IX: PRICING SCHEDULE.....	13
SECTION X: APPENDICES	13

SECTION I PURPOSE

The purpose of this Request for Proposals ("RFP") is to solicit sealed proposals from qualified firms to establish a Contract through competitive negotiations for the provision of services as Escrow Restructuring Agent (the "Contractor"). The Contractor is to provide advice and/or execution of escrow opportunities to recover negative arbitrage as appropriate for debt-issuing boards and authorities of the Commonwealth.

SECTION II BACKGROUND

The Department of the Treasury (the "Treasury" or the "Issuing Agency") provides staff support (the "Staff") for the following debt-issuing boards/authorities of the Commonwealth of Virginia: (1) Treasury Board, (2) the Virginia Public School Authority ("VPSA"), (3) the Virginia Public Building Authority ("VPBA"), (4) the Virginia College Building Authority ("VCBA"), and the Commonwealth Transportation Board ("CTB"), (collectively, the "Boards"). Treasury is issuing this Request for Proposals (RFP) for Escrow Restructuring Agent in order to provide to the Staff advice on escrow restructuring and when appropriate to execute escrow restructuring opportunities to recover negative arbitrage for debt-issuing boards and authorities of the Commonwealth..

SECTION III STATEMENT OF NEEDS

For all outstanding escrows, services should include, but may not be limited to the following:

On an ongoing basis:

- A. Monitor existing and future escrows for opportunities to recover negative arbitrage
- B. Contact appropriate Treasury representative when opportunities arise
- C. Prepare an Escrow Restructuring Summary demonstrating the sources of recovery for the negative arbitrage

Once approval has been received from authorized Treasury representative to pursue the restructuring:

- D. Fill out and submit early redemption request for SLGS or initiate sale of open market securities
- E. Draft any instructions relative to SLGS or open market securities transactions
- F. Communicate with Trustee for Bond Issue to coordinate escrow restructuring
- G. Engage verification agent
- H. Provide verification agent with information necessary to provide a favorable verification report
- I. Fill out and submit subscription for purchase and issue of SLGS or initiate purchase of open market securities
- J. Work with bond counsel and staff to obtain favorable opinion related to the bonds (if necessary)

Additionally:

- K. Provide updates as appropriate concerning potential transaction abuses.
- L. Provide recommendations on swaps versus ongoing trading opportunities
- M. Work with the Bond Counsel for each Board to provide current advice on the use of proceeds from the transactions

SECTION IV PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

A. GENERAL REQUIREMENTS

1. RFP Response:

- a. *Number of Copies.* In order to be considered for selection, Offerors must submit a complete response to this RFP. One (1) original, so marked, and five (5) copies, so marked, of each proposal must be submitted to the Issuing Agency. Additional copies may be requested.

2. Proposal Preparation:

- a. *Submission of Materials.* Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in the Issuing Agency requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals that are substantially incomplete or lack key information may be rejected by the Issuing Agency. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. *Small, Women-Owned, and Minority-Owned Business Reports.* All information requested by this RFP on the ownership, utilization and planned involvement of small businesses, women-owned businesses, and minority-owned businesses must be submitted. If an Offeror fails to submit all information requested, the Issuing Agency may require prompt submission of missing information after the receipt of the vendor proposals.
- c. *Clarity of Proposal.* Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- d. *Organization of Proposal.* Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents, which cross references the RFP requirements. Information that the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- e. *Single Volume.* Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
- f. *Ownership of Materials.* Ownership of all data, materials and documentation originated and prepared for the RFP shall belong exclusively to the State and be subject to public

inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of Section 2.2-4342.F. of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. **The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in the rejection of the proposal.**

3. Oral Presentation:

Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the Issuing Agency. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The Issuing Agency will schedule the time and location of these presentations is deemed necessary. Oral presentations are an option of the Issuing Agency and may or may not be conducted.

B. SPECIFIC PROPOSAL REQUIREMENTS:

Proposals should be as thorough and detailed as possible so that Department of the Treasury may properly evaluate the Offeror's capabilities to provide the required escrow restructuring services, to include providing advice and when applicable executing transactions. Offerors are required to submit the following items, separated by tabs within the proposal, as a complete proposal:

TAB 1. The RFP cover sheet and all addenda acknowledgments, if any, signed and filled out as required.

TAB 2. General Qualifications

1. Statement of Scope of Work. State in succinct terms your understanding of the scope of the work required by the Department of the Treasury as presented by the RFP.
2. General Qualifications:
 - a. *Organizational Structure and History.* Provide a brief organizational structure and history of your firm, including the size of the firm and the resources dedicated to the function of escrow restructuring services.
 - b. *Experience of Firm.* Describe your firm's experience as a escrow restructuring agent, with emphasis on state level experience (i.e., states and state boards, authorities, agencies and institutions.) Factors such as quality of work, control of costs, and ability to meet schedule requirements should be discussed.
 - c. *Professional Qualifications of Personnel Serving this Contract.* Identify, by name and title,

the individuals who will be responsible for this engagement. Describe the role of each individual; provide a brief description of their experience, scope of responsibility, length of tenure with the firm, and length of time performing escrow restructuring services. Identify the individual who will be the primary contact for your firm for this engagement.

3. References. Please list three representative clients, including contact name, address, e-mail address and telephone number, for which your firm has performed similar investment consulting or escrow restructuring services within the last three years. Be specific concerning the type of service and the type of portfolio.

TAB 3. Specific plans for providing the proposed services including:

1. Statement of Scope of Work. State in succinct terms your understanding of the scope of the work requested by the RFP.
2. Statement of Needs. Address your firm's ability to provide the services noted in **SECTION III, STATEMENT OF NEEDS**. Please restate each requirement and discuss whether or not you can meet the requirement, how you will meet the requirement or the extent to which you can meet the requirement, any alternatives you would recommend in addition to or in lieu of the stated requirement.
3. Agreements. Include copies of any agreements that the Commonwealth would be expected to sign if your institution is awarded the Contract.

TAB 4. Proposed Price:

Refer to **SECTION IX, Pricing Schedule**. Provide the pricing schedule you will use to charge for the outlined services. Completely describe all fixed and variable expenses and the hourly rates of personnel involved in the engagement, if applicable, estimated expenses, estimated total, etc. Include in your proposal any major assumptions on which your fees are based and changes that could be made which you believe would justify a reduction in the fees. **Any charge for services not addressed in your proposal will not be allowed during the course of this contract.**

TAB 5. Creative solutions and alternative suggestions:

All offerors are encouraged to be as creative as possible in responding to this RFP. Based on your review of the background information and specific needs and requirements discuss any creative approaches to this service which have not been specifically requested or which would enhance efficiency and/or reduce costs.

TAB 6. Small, Women-Owned, and Minority-Owned Business Participation:

It is the policy of the Commonwealth of Virginia to contribute to the establishment, preservation and strengthening of small businesses and businesses owned by women and minorities and to encourage their participation in State procurement activities. The Commonwealth encourages Contractors to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts or other contractual opportunities. Submission of a report of past efforts to utilize the goods and services of such businesses and plans for involvement on this Contract are required. See **Appendix B** for reporting format. By submitting a proposal, Contractors certify that all information

provided in response to this RFP is true and accurate. Failure to provide information required by this RFP could result in the rejection of the proposal.

The Contractor must submit three sets of data for small business, women-owned business, and minority-owned business: 1) ownership, 2) utilization of small, women-owned and minority-owned businesses for the most recent 12 months, and 3) planned involvement of small businesses, women-owned businesses and minority owned businesses on the current procurement. **Appendix B** contains the format for providing this information.

SECTION V EVALUATION AND AWARD CRITERIA

- A. **EVALUATION CRITERIA:** Proposals will be evaluated by the Issuing Agency using the following criteria:
1. Offeror's General Qualifications – This criterion includes the qualifications, capabilities, and relevant experience of the firm, as well as staff assigned to the Contract, including the ability of the Offeror to meet the requirements of the RFP to ensure high-quality service. (Weighed at 30%)
 2. Soundness of Approach – Emphasis is on the techniques for providing the services requested, and on the Offeror's capability to deliver the desired services. Emphasis is on the specific plans to satisfy the requirements included in the **STATEMENT OF NEEDS**. (Weighed at 30%)
 3. Pricing – See **Section X, PRICING**. While this area will be weighted heavily, it will not be the primary deciding factor in the selection process. (Weighed at 20%)
 4. Creativity – The Commonwealth is interested in creative and innovative responses to this RFP. Consideration will be given to suggested alternatives or additional services offered which may not be specifically requested. (Weighed at 15%)
 5. Participation of Small, Women-Owned, and Minority-Owned Business – Emphasis is on the past, current, and planned utilization of businesses in the three classes identified. (Weighed at 5%)
- B. **AWARD OF CONTRACT:** Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offeror, which, in its opinion, has made the best proposal, and shall award the Contract to that Offeror. The Commonwealth may cancel this Request of Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous (Section 2.2-4359D, Code of Virginia). Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated. (See **Appendix A**.)

SECTION VI GENERAL TERMS AND CONDITIONS

- A. **VENDOR'S MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia

Vendor's Manual and any changes or revisions thereto, which are hereby incorporated into this Contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the Vendor's Manual. A copy of the manual is normally available for review at the purchasing office and in addition a copy can be downloaded by visiting the Division of Purchases and Supply website at www.dgs.state.va.us/dps under "Manuals."

- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with applicable federal, state and local laws and regulations.
- C. **ANTI-DISCRIMINATION:** By submitting their proposals, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and Section 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this Contract, the contractor agrees as follows:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, or disabilities, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - b. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
 2. The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- D. **ETHICS IN PUBLIC CONTRACTING:** By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than

nominal value, present or promised unless consideration of substantially equal or greater value was exchanged.

- E. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, the Offerors certify that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- F. DEBARMENT STATUS: By submitting their proposals, Offerors certify that they are not currently debarred from submitting proposals on contracts by any agency of the Commonwealth of Virginia, nor are they an agent of any person or entity that is currently debarred from submitting proposals on contracts by any agency of the Commonwealth of Virginia.
- G. ANTITRUST: By entering into a Contract, the Contractor conveys, sells, assigns and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of the action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.
- H. MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS: Failure to submit a proposal on the official state form provided for that purpose shall be a cause for rejection of the proposal. Modification of or additions to any portion of the Request for Proposals may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal as nonresponsive.
- I. CLARIFICATION OF TERMS: If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- J. PAYMENT:
 - 1. To Prime Contractor :
 - a. Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order or Contract. All invoices shall show the state Contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
 - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
 - c. All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.
 - d. The following shall be deemed to be the date of payment: the date of postmark in all cases

where payment is made by mail, or the date of offset when proceedings have been instituted as authorized under the Virginia Debt Collection Act.

2. To Subcontractors:
 - a. A contractor awarded a Contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
 - (2) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
 - b. The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U.S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
- K. PRECEDENCE OF TERMS: Paragraphs A-J of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.
- L. QUALIFICATIONS OF OFFERORS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the work/furnish the item(s), and the Offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect the Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Commonwealth that such Offeror is properly qualified to carry out the obligations of the Contract and to complete the work/furnish the item(s) contemplated therein.
- M. TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure supplies and services conform to the specification.
- N. ASSIGNMENT OF CONTRACT: A Contract shall not be assignable by the Contractor in whole or in part without the written consent of Treasury.
- O. CHANGES TO THE CONTRACT: Changes can be made to the Contract in any one of the following ways:
 1. The Issuing Agency may order changes within the general scope of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the

Issuing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:

- a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the Contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Issuing Agency's right to audit the Contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the Contractor to proceed with the work and to keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the Contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Issuing Agency with all vouchers and records of expenses incurred and savings realized. The Issuing Agency shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Issuing Agency within thirty (30) days from the date of receipt of the written order from the Issuing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the Contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this Contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia's Vendor's Manual. Neither the existence of a claim or a dispute resolution process, litigation or any other provision of this Contract shall excuse the Contractor from promptly complying with the changes ordered by the Issuing Agency or with the performance of the Contract generally.
2. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.
- P. DEFAULT: In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies that the Commonwealth may have.
- Q. TAXES: Omitted.
- R. USE OF BRAND NAMES: Omitted.
- S. TRANSPORTATION AND PACKAGING: Omitted.
- T. ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a Contract over \$30,000, as a result of this solicitation, the Issuing Agency will publicly post such notice at the main reception desk of the Department of the Treasury at the James Monroe Building, 3rd Floor, 101 N. 14th Street, Richmond, Virginia, 23219, on the Department of the Treasury's web site at www.frs.state.va.us and the DGS/DPS eVA website www.eva.state.va.us for a minimum of 10 days.
- U. NONDISCRIMINATION OF CONTRACTORS: A bidder, offeror, or contractor shall not be discriminated

against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

- V. **EVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** The awarded Contractor will be expected to register with the eVA and the Ariba Commerce Services Network Vendor Registration Systems at the following website: www.eva.state.va.us or by calling the eVA Supplier Help Line at 1-866-289-7367. All contractors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service (\$25.00) or eVA Premium Vendor Registration Service (\$200.00), and complete the Ariba Commerce Services Network Registration. The Issuing Agency will issue a purchase order to the Contractor for each engagement. The Contractor will reference the purchase order number on each invoice submitted to the Issuing Agency. The eVA transaction fee will be billed to the Contractor at the point the purchase order is issued. The maximum eVA transaction fee is 1% of each transaction or a maximum of \$500.00 for each transaction, whichever is less.

SECTION VII: SPECIAL TERMS AND CONDITIONS

- A. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- B. **ADVERTISING:** In the event a Contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to the Issuing Agency will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
- C. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- D. **BID ACCEPTANCE PERIOD:** Any bid in response to this solicitation shall be valid for 90 days. At the end of the 90 days the bid may be withdrawn at the written request of the Bidder. If the bid is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.
- E. **CANCELLATION OF CONTRACT:** The Issuing Agency reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 30 days written notice to the Contractor. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- F. **PRIME CONTRACTOR RESPONSIBILITIES:** The Contractor shall be responsible for completely

supervising and directing the work under this Contract and all subcontracts that he may utilize, using his best skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

- G. RENEWAL OF CONTRACT: This contract may be renewed by the Commonwealth upon written agreement of both parties for two additional one year terms, under the terms of the current contract, and at a reasonable time (approximately 30 days) prior to the expiration.
- H. SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the Issuing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Issuing Agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.
- I. UNDERWRITING OF SECURITIES: The Contractor, or any of its affiliates, may not submit a proposal to the Board or serve as a member of any syndicate or as a member of a selling group for the purchase of any securities described herein while they serve as escrow restructuring agent to the Board for the issuance of such securities.
- J. DISCLOSURE: The Contractor must disclose to the applicable Board the names, role and compensation arrangements for any individuals or firms used by the firm, directly or indirectly, to obtain or retain municipal securities business which may relate to obligations issued by the Board. Further, the Contractor must disclose any relationship(s) which may be a conflict of interest for the firm serving as escrow restructuring agent to the Board.
- K. TRANSFER OF NON-PROPRIETARY DATA: The Contractor agrees to provide to the applicable Board non-proprietary data compiled and/or maintained by the Contractor in electronic or other form (e.g., coverage tables) upon termination or expiration of the Contract.
- L. LATE PROPOSALS: To be considered for selection, proposals must be received by Treasury by the due date and time designated on the cover page of this RFP. Proposals received by Treasury after the due date and time are automatically disqualified and will not be considered. **Treasury is not responsible for delays in the delivery of mail by the U.S. Postal Service or private couriers. It is the sole responsibility of the Offeror to ensure that its proposal reaches Treasury by the designated due date and time.**
- M. DRUG FREE WORKPLACE: The Contractor acknowledges and certifies that it understands that the following acts by the Contractor, its employees, and/or agents performing services on state property are prohibited:
 - a. The unlawful manufacture, distribution, dispensing, possession or use of alcohol or other drugs; and
 - b. Any impairment or incapacitation from the use of alcohol or other drugs (except the use of drugs for legitimate medical purposes).
 - c. The Contractor further acknowledges and certifies that it understands that a violation of these prohibitions constitutes a breach of contract and may result in default action being

taken by the Commonwealth in addition to any criminal penalties that may result from such conduct.

- N. **INSURANCE:** By signing and submitting a bid or proposal under this solicitation, the Bidder or Offeror certifies that if awarded the Contract, it will have the following insurance coverages at the time the Contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with sections 2.2-4332 and 65.2-800 et seq. of the Code of Virginia.

The Bidder or Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

INSURANCE COVERAGES AND LIMITS REQUIRED:

- a. Worker's Compensation - Statutory requirements and benefits.
 - b. Employer's Liability - \$100,000.
 - c. Commercial General Liability - \$500,000 combined single limit. The Commonwealth of Virginia is to be named as an additional insured with respect to the services being procured. This coverage is to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability and Personal Injury Liability.
 - d. Automobile Liability - \$500,000.
- O. **MINORITY/WOMEN OWNED BUSINESSES SUBCONTRACTING AND REPORTING:** Where it is practicable for any portion of the awarded Contract to be subcontracted to other suppliers, the Contractor is encouraged to offer such business to minority and/or women-owned businesses. Names of firms may be available from the buyer and/or from the Division of Purchases and Supply. When such business has been subcontracted to these firms and upon completion of the Contract, the Contractor agrees to furnish the purchasing office the following information: name of firm, phone number, total dollar amount subcontracted and type of product/service provided.

SECTION VIII METHOD OF PAYMENT

Invoices should provide a detailed description of the services provided, rates charges and amounts due. The Issuing Agency will provide payment, subject to Section VII. C. Availability of Funds, within 30 days from the date of receipt of the invoice and acceptance of services rendered.

Commonwealth of Virginia, Department of the Treasury
RFP # 04-009 Escrow Restructuring Agent
Due: Friday, May 7, 2004 @ 3:00 p.m.

SECTION IX PRICING SCHEDULE

Provide the pricing schedule you will use to charge for the outlined services. Completely describe all fixed and variable expenses and the hourly rates of personnel involved in the engagement, if applicable, estimated expenses, estimated total, etc. Include in your proposal any major assumptions on which your fees are based and changes that could be made which you believe would justify a reduction in the fees. **Any charge for services not addressed in your proposal will not be allowed during the course of this contract.**

SECTION X APPENDICES

APPENDIX A - Standard Contract

APPENDIX B - Offeror's Report on Small, Women-Owned and Minority-Owned Businesses and
Definitions of Certain Terms Related to Report on Small, Women-Owned and
Minority-Owned Businesses

Commonwealth of Virginia, Department of the Treasury
RFP # 04-009 Escrow Restructuring Agent
Due: Friday, May 7, 2004 @ 3:00 p.m.

APPENDIX A
FORM OF COMMONWEALTH OF VIRGINIA CONTRACT

Appendix A represents the proposed Contract, which the Commonwealth would expect the Contractor to sign.
Please note any suggestions or additions you would like considered.

Commonwealth of Virginia, Department of the Treasury
RFP # 04-009 Escrow Restructuring Agent
Due: Friday, May 7, 2004 @ 3:00 p.m.

COMMONWEALTH OF VIRGINIA
Department of the Treasury
Escrow Restructuring Agent
Contract Number #**DM 04-009**

This Contract is entered into this ___ day of ___, 2004, by _____, hereinafter called the "Contractor", and the Commonwealth of Virginia Department of the Treasury, hereinafter called the "Issuing Agency".

WITNESSETH that the Contractor and the Issuing Agency, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Commonwealth as set forth in the Contract Documents.

PERIOD OF CONTRACT: From **June 1, 2004** through **May 31, 2006**, with the option to renew for three additional one-year terms under the terms and conditions stated herein.

CONTRACT DOCUMENTS: The Contract Documents shall consist of:

- (1) This signed Contract;
- (2) The following portions of the Request for Proposals dated April 16, 2004:
 - (a) The Statement of Needs
 - (b) The General Terms and Conditions
 - (c) The Special Terms and Conditions, together with any negotiated modifications of those Special Conditions; and
- (3) The Contractor's proposal dated [XXXX ##, 20##] and all written modifications to the Proposal, all of which documents are incorporated herein.

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in the Commonwealth of Virginia's *Vendor's Manual*.

IN WITNESS WHEREOF the parties have caused this Contract to be duly executed intending to be bound thereby, and certify they are authorized to sign this Contract for the Contractor or the Commonwealth.

CONTRACTOR

ISSUING AGENCY

(Signature)

(Signature)

(Printed Name)

(Printed Name)

(Title)

(Title)

(Date)

(Date)

Commonwealth of Virginia, Department of the Treasury
RFP # 04-009 Escrow Restructuring Agent
Due: Friday, May 7, 2004 @ 3:00 p.m.

APPENDIX B
OFFEROR'S REPORT ON SMALL, WOMEN-OWNED
AND MINORITY-OWNED BUSINESSES
AND
DEFINITIONS OF CERTAIN TERMS RELATED TO REPORT ON
SMALL, WOMEN-OWNED AND MINORITY-OWNED BUSINESSES

**PARTICIPATION OF SMALL, WOMEN OWNED,
AND MINORITY OWNED BUSINESSES**

1. PARTICIPATION BY SMALL BUSINESSES

- A. Offeror certifies that it () is, () is not, a small business concern (including its affiliates) which is independently owned and operated. For the purpose of this procurement, a small business is a concern that is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.
- B. List small businesses with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To:

<u>FIRM NAME, ADDRESS & PHONE NO.</u>	<u>CONTACT PERSON</u>	<u>TYPE GOODS/ SERVICES</u>	<u>DOLLAR AMOUNTS</u>	<u>% TOTAL CO. EXPENDITURES FOR GOODS & SERVICES</u>
---	---------------------------	---------------------------------	---------------------------	--

*** THE TOTAL FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITIES) CANNOT EXCEED 100%.

- C. Describe Offeror's plans to involve small businesses in the performance of this Contract either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To:

<u>FIRM NAME, ADDRESS & PHONE NO.</u>	<u>CONTACT PERSON</u>	<u>TYPE GOODS/ SERVICES</u>	<u>DOLLAR AMOUNTS</u>	<u>% OF TOTAL CONTRACT</u>
---	---------------------------	---------------------------------	---------------------------	--------------------------------

*** WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT WILL YOU AWARD TO SMALL BUSINESSES.

2. PARTICIPATION BY BUSINESSES OWNED BY WOMEN

- A. Offeror certifies that it () is, () is not, a women's business enterprise or women owned business. For the purpose of this procurement, a woman owned business is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day to day management.
- B. List businesses owned by women with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To:

<u>FIRM NAME, ADDRESS & PHONE NO.</u>	<u>CONTACT PERSON</u>	<u>TYPE GOODS/ SERVICES</u>	<u>DOLLAR AMOUNTS</u>	<u>% TOTAL CO. EXPENDITURES FOR GOODS & SERVICES</u>
---	---------------------------	---------------------------------	---------------------------	--

***** THE TOTAL FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITIES) CANNOT EXCEED 100%.**

- C. Describe Offeror's plans to involve businesses owned by women in the performance of this contract, either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To:

<u>FIRM NAME, ADDRESS & PHONE NO.</u>	<u>CONTACT PERSON</u>	<u>TYPE GOODS/ SERVICES</u>	<u>DOLLAR AMOUNTS</u>	<u>% OF TOTAL CONTRACT</u>
---	---------------------------	---------------------------------	---------------------------	--------------------------------

***** WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT WILL YOU AWARD TO WOMEN-OWNED BUSINESSES.**

3. PARTICIPATION BY BUSINESSES OWNED BY MINORITIES

- A. Offeror certifies that it () is, () is not, a minority business enterprise or minority owned business. For the purpose of this procurement, a minority-owned business is a concern that is at least 51 percent owned by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.
- B. List businesses owned by minorities with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To:

<u>FIRM NAME, ADDRESS & PHONE NO.</u>	<u>CONTACT PERSON</u>	<u>TYPE GOODS/ SERVICES</u>	<u>DOLLAR AMOUNTS</u>	<u>% TOTAL CO. EXPENDITURES FOR GOODS & SERVICES</u>
---	---------------------------	---------------------------------	---------------------------	--

***** THE TOTAL FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITIES) CANNOT EXCEED 100%.**

- C. Describe Offeror's plans to involve minority businesses in the performance of this Contract, either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To:

<u>FIRM NAME, ADDRESS & PHONE NO.</u>	<u>CONTACT PERSON</u>	<u>TYPE GOODS/ SERVICES</u>	<u>DOLLAR AMOUNTS</u>	<u>% OF TOTAL CONTRACT</u>
---	---------------------------	---------------------------------	---------------------------	--------------------------------

***** WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT WILL YOU AWARD TO MINORITY BUSINESSES.**

DEFINITIONS OF CERTAIN TERMS

For the purpose of this RFP, the following shall serve as definitions:

PERIOD is the specified 12-month period for which the information provided in this list is applicable and valid. The period will be specified as month and year.

FIRM NAME, ADDRESS AND PHONE NUMBER is the name, address and business phone number of the small business, women owned business or minority owned business with which the Offeror has contracted or done business over the specified period or plans to involve on this Contract, as applicable.

CONTACT PERSON is the name of the individual in the specified small business, women owned business or minority owned business who would have knowledge of the specified contracting and would be able to validate the information provided in this list.

TYPE GOODS OR SERVICES is the specific goods or services the Offeror has contracted for from the specified small, women owned or minority owned business over the specified period of time or plans to use in the performance of this contract, as applicable. The Offeror will asterisk (*) those goods and services that are in the Offeror's primary business or industry.

DOLLAR AMOUNT is the total dollar amount (in thousands of dollars) the Offeror has contracted for or has done business with the listed firm during the specified period or plans to use on this Contract, as applicable.

% TOTAL COMPANY EXPENDITURES FOR GOODS AND SERVICES is calculated by dividing the dollar amount of business conducted or contracted for with the indicated firm over the specified period by the total expenditure of the Offeror over the specified period for goods and services.

% OF TOTAL CONTRACT is calculated by dividing the estimated dollars planned for the indicated firm on this Contract by the total Offeror estimated price of this Contract.

SMALL BUSINESS is a concern that is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.

WOMAN-OWNED BUSINESS is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day to day management.

MINORITY-OWNED BUSINESS is a concern that is at least 51 percent owned by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.